

State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1403/4 3
ARG:nwn&kjf:ph

KMR

DOA:.....Byrnes, BB0347 - SE Wisconsin Freeway megaprojects

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

1 ^{don't gen.} AN ACT ...; relating to: the budget. ✓

Analysis by the Legislative Reference Bureau

TRANSPORTATION

HIGHWAYS

Under current law, the Transportation Projects Commission (TPC) consists of the governor, three citizen members, and ten members of the legislature. The secretary of transportation serves as a nonvoting member of the TPC and the governor serves as chairperson of the TPC.

Under current law, DOT administers a major highway projects program. With certain exceptions, a major highway project is a project having a total cost of more than \$5,000,000 and involving construction of a new highway 2.5 miles or more in length; reconstruction or reconditioning of an existing highway that relocates at least 2.5 miles of the highway or adds one or more lanes five miles or more in length to the highway; or improvement of an existing multilane, divided highway to freeway standards. Any major highway project, unlike other highway construction projects undertaken by DOT, must generally receive the approval of the TPC and the legislature (generally referred to as "enumeration") before the project may be constructed. DOT may not begin preparing an environmental impact statement (EIS) or environmental assessment (EA) for a potential major highway project without TPC approval. The TPC may not recommend approval of any major highway project unless the TPC has been notified that a final EIS or EA for the project has been approved by the Federal Highway Administration. The legislature may not

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enumerate any major highway project unless the TPC has recommended approval of the project. The major highway projects program is funded from state, federal, and local funds appropriations and bond proceeds.

Under current law, southeast Wisconsin freeway rehabilitation projects include the reconditioning, reconstruction, or resurfacing of, or adding one or more lanes to, a state trunk highway, located in Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, or Waukesha county, that has four or more lanes of traffic physically separated by a median or barrier and that gives preference to through traffic by limiting access to interchanges only. A project may not be considered both a major highway project and a southeast Wisconsin freeway rehabilitation project. Southeast Wisconsin freeway rehabilitation projects, which include the Marquette interchange reconstruction project, the I 94 north-south corridor project, and the Zoo interchange project in Milwaukee County, may be funded only from appropriations specifically designated for such projects or from bond proceeds. Southeast Wisconsin freeway rehabilitation projects that involve adding at least one lane five miles or more in length cannot be funded from state, federal, and local funds appropriations without legislative approval, accomplished through statutory enumeration. Only the reconstruction of the I 94 north-south corridor project and the Zoo interchange have been so enumerated. After June 30, 2011, funding under the state, federal, and local funds appropriations for southeast Wisconsin freeway rehabilitation projects terminates, but bond proceeds may still be used to fund these projects.

In addition to the major highway projects program and the southeast Wisconsin freeway rehabilitation program, DOT administers a state highway rehabilitation program. This program provides funding for state highway improvements that are not major highway projects or southeast Wisconsin freeway rehabilitation projects. The program is funded from state, federal, and local funds appropriations and bond proceeds.

X This bill modifies the definition of "major highway project" to recognize two categories of major highway projects. In the first category, a major highway project is defined as under current law except that the total cost threshold is increased by the bill from \$5,000,000 to \$30,000,000. In the second category, with certain exceptions, a major highway project is a project having a total cost of at least \$75,000,000. For both categories of major highway projects, the total cost threshold is adjusted annually by DOT based on an inflation index maintained by DOT. The bill maintains the current TPC review and approval process for major highway projects in the first category but creates a new TPC review and approval process for major highway projects in the second category. Under the bill, DOT may prepare an EIS or EA for a major highway project in the second category without TPC approval. However, prior to ~~final design and~~ construction of the project, DOT must submit a report to the TPC and request TPC approval to proceed with the project. If the chairperson of the TPC does not notify DOT within 14 working days after this request for approval is submitted that the TPC has scheduled a meeting for the purpose of reviewing the request, the request is considered approved and DOT may proceed with the project. If, within 14 working days after DOT submits the request, the chairperson of the TPC notifies DOT that the TPC has scheduled a meeting for the

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purpose of reviewing the request, DOT may implement the request only as approved by the TPC. DOT may not ~~complete the final design and~~ proceed with construction of a major highway project in the second category unless the project is approved, implicitly or explicitly, by the TPC under this passive review process. Once approved by the TPC, the project is considered "enumerated" as a major highway project under the statutes.

The bill also creates a new category of highway projects called "southeast Wisconsin freeway megaprojects," which are projects on southeast Wisconsin freeways that have a total cost of more than \$500 million, as adjusted for inflation annually by DOT. These projects may be funded only from newly created state, federal, and local funds appropriations for these projects, along with bond proceeds and an existing insurance cost-recovery appropriation. No funding for construction of these projects may be provided without legislative approval by means of statutory enumeration. The bill enumerates the I 94 north-south corridor project and the Zoo interchange project as southeast Wisconsin freeway megaprojects. This bill also authorizes proceeds from certain general obligation bonding to be used to fund southeast Wisconsin freeway megaprojects.

Under this bill, southeast Wisconsin freeway rehabilitation projects may also be considered major highway projects, eligible for major highway project funding, if they satisfy all criteria and requirements for major highway projects, including approval through the TPC process and statutory enumeration. A southeast Wisconsin freeway rehabilitation project that is not a major highway project and not a southeast Wisconsin freeway megaproject may be eligible for state highway rehabilitation funding. However, a southeast Wisconsin freeway rehabilitation project cannot also be considered a southeast Wisconsin freeway megaproject.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 13.489 (1m) (f) of the statutes is created to read:
- 2 13.489 (**1m**) (f) This subsection does not apply to major highway projects
- 3 described in s. 84.013 (1) (a) 2m.
- 4 **SECTION 2.** 13.489 (4) (d) of the statutes is created to read:
- 5 13.489 (**4**) (d) This subsection does not apply to major highway projects
- 6 described in s. 84.013 (1) (a) 2m.
- 7 **SECTION 3.** 13.489 (4m) of the statutes is created to read:

1 13.489 (4m) REVIEW OF HIGH-COST MAJOR HIGHWAY PROJECTS. (a)
2 Notwithstanding sub. (4), for any major highway project described in s. 84.013 (1) (a)
3 2m., the department of transportation shall submit a report to the commission, prior
4 to final design and construction of the project, which report may request the
5 commission's approval to proceed with the project. The department may submit this
6 request at any time following completion by the department of a final environmental *draft*
7 impact statement or environmental assessment for the project. ✓

8 (b) After receiving a request under par. (a) for approval to proceed with a major
9 highway project described in s. 84.013, if the chairperson of the commission does not
10 notify the department of transportation within 14 working days after the date on
11 which the department submits the request under par. (a) that the commission has
12 scheduled a meeting for the purpose of reviewing the request, the request is
13 considered approved and the department may proceed with the project. If, within
14 14 working days after the date on which the department submits the request, the
15 chairperson of the commission notifies the department that the commission has
16 scheduled a meeting for the purpose of reviewing the request, the department may
17 implement the request only as approved by the commission, including approval after
18 modification by the commission.

19 (c) The department of transportation may not complete the final design and ✓
20 proceed with construction of a major highway project described in s. 84.013 (1) (a) 2m.
21 unless the project is approved by the commission as provided in par. (b).

22 (d) The procedures specified in this subsection shall apply to all major highway
23 projects described in s. 84.013 (1) (a) 2m. in lieu of the procedures described in sub.
24 (4).

****NOTE: Does the EIS or EA merely need to be "completed" by DOT, or does it also need to be approved by the FHWA?

1 **SECTION 4.** 20.395 (3) (aq) of the statutes is created to read:

2 20.395 (3) (aq) *Southeast Wisconsin freeway megaprojects, state funds.* As a
3 continuing appropriation, the amounts in the schedule for southeast Wisconsin
4 freeway megaprojects under s. 84.0145. This paragraph does not apply to the
5 installation, replacement, rehabilitation, or maintenance of highway signs, traffic
6 control signals, highway lighting, pavement markings, or intelligent transportation
7 systems, unless incidental to a southeast Wisconsin freeway megaproject.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8 **SECTION 5.** 20.395 (3) (av) of the statutes is created to read:

9 20.395 (3) (av) *Southeast Wisconsin freeway megaprojects, local funds.* All
10 moneys received from any local unit of government or other source for southeast
11 Wisconsin freeway megaprojects under s. 84.0145, for such purposes.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

12 **SECTION 6.** 20.395 (3) (ax) of the statutes is created to read:

13 20.395 (3) (ax) *Southeast Wisconsin freeway megaprojects, federal funds.* All
14 moneys received from the federal government for southeast Wisconsin freeway
15 megaprojects under s. 84.0145, for such purposes. This paragraph does not apply to
16 the installation, replacement, rehabilitation, or maintenance of highway signs,
17 traffic control signals, highway lighting, pavement markings, or intelligent
18 transportation systems, unless incidental to a southeast Wisconsin freeway
19 megaproject.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

20 **SECTION 7.** 20.395 (3) (bq) of the statutes is amended to read:

1 20.395 (3) (bq) *Major highway development, state funds.* As a continuing
2 appropriation, the amounts in the schedule for major development of state trunk and
3 connecting highways and for the disadvantaged business demonstration and
4 training program under s. 84.076. This paragraph does not apply ~~to major~~
5 ~~development of~~ with respect to any southeast Wisconsin freeway, ~~as defined in s.~~
6 ~~84.014 (1) (e)~~ megaproject under s. 84.0145.

7 **SECTION 8.** 20.395 (3) (br) of the statutes is amended to read:

8 20.395 (3) (br) *Major highway development, service funds.* All moneys received
9 from the fund created under s. 18.57 (1) as reimbursement for the temporary
10 financing under sub. (9) (th) of projects for major development of state trunk and
11 connecting highways that are financed under s. 84.59 and enumerated under s.
12 84.013 (3), for the purpose of financing such projects. This paragraph does not apply
13 ~~to any project for major development of a~~ with respect to any southeast Wisconsin
14 freeway, ~~as defined in s. 84.014 (1) (e)~~ megaproject under s. 84.0145.

15 **SECTION 9.** 20.395 (3) (bv) of the statutes is amended to read:

16 20.395 (3) (bv) *Major highway development, local funds.* All moneys received
17 from any local unit of government or other source for major development of state
18 trunk and connecting highways, including the railroad and utility alteration and
19 relocation loan program under s. 84.065, and the disadvantaged business
20 demonstration and training program under s. 84.076, for such purposes. This
21 paragraph does not apply with respect to ~~major development of~~ any southeast
22 Wisconsin freeway, ~~as defined in s. 84.014 (1) (e)~~ megaproject under s. 84.0145.

23 **SECTION 10.** 20.395 (3) (bx) of the statutes is amended to read:

24 20.395 (3) (bx) *Major highway development, federal funds.* All moneys received
25 from the federal government for major development of state trunk and connecting

1 highways and the disadvantaged business demonstration and training program
2 under s. 84.076, for such purposes. This paragraph does not apply to ~~major~~
3 ~~development of~~ with respect to any southeast Wisconsin freeway, ~~as defined in s.~~
4 ~~84.014 (1) (e)~~ megaproject under s. 84.0145.

5 **SECTION 11.** 20.395 (3) (cq) of the statutes is amended to read:

6 20.395 (3) (cq) *State highway rehabilitation, state funds.* As a continuing
7 appropriation, the amounts in the schedule for improvement of existing state trunk
8 and connecting highways; for improvement of bridges on state trunk or connecting
9 highways and other bridges for which improvement is a state responsibility, for
10 necessary approach work for such bridges and for replacement of such bridges with
11 at-grade crossing improvements; for the construction and rehabilitation of the
12 national system of interstate and defense highways and bridges and related
13 appurtenances; for special maintenance activities under s. 84.04 on roadside
14 improvements; for bridges under s. 84.10; for the bridge project under s. 84.115; for
15 payment to a local unit of government for a jurisdictional transfer under s. 84.02 (8);
16 for the disadvantaged business demonstration and training program under s.
17 84.076; for the transfers required under 1999 Wisconsin Act 9, section 9250 (1) and
18 2003 Wisconsin Act 33, section 9153 (4q); and for the purposes described under 1999
19 Wisconsin Act 9, section 9150 (8g), 2001 Wisconsin Act 16, section 9152 (4e), and 2007
20 Wisconsin Act 20, section 9148 (9i) (b) and (9x). This paragraph does not apply to any
21 southeast Wisconsin freeway megaprojects under s. 84.0145, to any southeast
22 Wisconsin freeway rehabilitation projects under s. 84.014 that also qualify as major
23 highway projects under s. 84.013, or to the installation, replacement, rehabilitation,
24 or maintenance of highway signs, traffic control signals, highway lighting, pavement

1 markings, or intelligent transportation systems, unless incidental to the
2 improvement of existing state trunk and connecting highways.

3 **SECTION 12.** 20.395 (3) (cv) of the statutes is amended to read:

4 20.395 (3) (cv) *State highway rehabilitation, local funds.* All moneys received
5 from any local unit of government or other source for the specific information sign
6 program under s. 86.195; for improvement of existing state trunk and connecting
7 highways; for improvement of bridges on state trunk or connecting highways and
8 other bridges for which improvement is a state responsibility, for necessary approach
9 work for such bridges and for replacement of such bridges with at-grade crossing
10 improvements; for the construction and rehabilitation of the national system of
11 interstate and defense highways and bridges and related appurtenances; for special
12 maintenance activities under s. 84.04 on roadside improvements; for the bridge
13 project under s. 84.115; for the railroad and utility alteration and relocation loan
14 program under s. 84.065; and for the disadvantaged business demonstration and
15 training program under s. 84.076, for such purposes. This paragraph does not apply
16 to any southeast Wisconsin freeway megaprojects under s. 84.0145 or to any
17 southeast Wisconsin freeway rehabilitation projects under s. 84.014 that also qualify
18 as major highway projects under s. 84.013.

19 **SECTION 13.** 20.395 (3) (cx) of the statutes is amended to read:

20 20.395 (3) (cx) *State highway rehabilitation, federal funds.* All moneys
21 received from the federal government for improvement of existing state trunk and
22 connecting highways; for improvement of bridges on state trunk or connecting
23 highways and other bridges for which improvement is a state responsibility, for
24 necessary approach work for such bridges and for replacement of such bridges with
25 at-grade crossing improvements; for the construction and rehabilitation of the

1 national system of interstate and defense highways and bridges and related
2 appurtenances; for special maintenance activities under s. 84.04 on roadside
3 improvements; for the bridge project under s. 84.115; and for the disadvantaged
4 business demonstration and training program under s. 84.076; and all moneys
5 received under 2003 Wisconsin Act 33, section 9153 (4q); for such purposes. This
6 paragraph does not apply to any southeast Wisconsin freeway megaprojects under
7 s. 84.0145 or to any southeast Wisconsin freeway rehabilitation projects under s.
8 84.014 that also qualify as major highway projects under s. 84.013.

9 **SECTION 14.** 20.395 (6) (au) of the statutes is amended to read:

10 20.395 (6) (au) *Principal repayment and interest, Marquette interchange,*
11 *southeast megaprojects, and I 94 north-south corridor reconstruction projects, state*
12 *funds. A sum sufficient to reimburse s. 20.866 (1) (u) for the payment of principal*
13 *and interest costs incurred in financing the Marquette interchange reconstruction*
14 *project and the reconstruction of the I 94 north-south corridor and southeast*
15 *Wisconsin freeway megaprojects, as provided under ss. 20.866 (2) (uup) and 84.555,*
16 *and to make payments under an agreement or ancillary arrangement entered into*
17 *under s. 18.06 (8) (a).*

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

****NOTE: When the budget bill is compiled, this provision will be reconciled with the treatment of the same statute in LRB-0459.

18 **SECTION 15.** 20.866 (2) (ur) of the statutes is amended to read:

19 20.866 (2) (ur) *Transportation; accelerated highway improvements.* From the
20 capital improvement fund, a sum sufficient to acquire, construct, develop, enlarge,
21 or improve state highway facilities as provided by ss. 84.06 and 84.09. The state may
22 contract public debt in an amount not to exceed \$185,000,000 for this purpose. This

1 paragraph does not apply with respect to any southeast Wisconsin freeway
2 ~~rehabilitation projects under s. 84.014~~ megaproject under s. 84.0145.

3 **SECTION 16.** 20.866 (2) (uu) of the statutes is amended to read:

4 20.866 (2) (uu) *Transportation; highway projects.* From the capital
5 improvement fund, a sum sufficient for the department of transportation to acquire,
6 construct, reconstruct, improve, or develop highway projects under ss. 84.06 and
7 84.09. The state may contract public debt in an amount not to exceed \$41,000,000 for
8 this purpose. This paragraph does not apply with respect to any southeast Wisconsin
9 freeway ~~rehabilitation projects under s. 84.014~~ megaproject under s. 84.0145.

10 **SECTION 17.** 20.866 (2) (uup) of the statutes is amended to read:

11 20.866 (2) (uup) *Transportation; Marquette interchange, southeast*
12 *megaprojects, and I 94 north-south corridor reconstruction projects.* From the capital
13 improvement fund, a sum sufficient for the department of transportation to fund the
14 Marquette interchange reconstruction project under s. 84.014, as provided under s.
15 84.555, ~~and the reconstruction of the I 94 north-south corridor, as provided under~~
16 ~~s. 84.555 (1m), and southeast Wisconsin freeway megaprojects under s. 84.0145, as~~
17 provided under s. 84.555 (1m). The state may contract public debt in an amount not
18 to exceed \$553,550,000 for these purposes.

****NOTE: When the budget bill is compiled, this provision will be reconciled with
the treatment of the same statute in LRB-0459.

19 **SECTION 18.** 84.01 (33) (c) of the statutes is repealed.

20 **SECTION 19.** 84.013 (1) (a) (intro.) of the statutes is amended to read:

21 84.013 (1) (a) (intro.) "Major highway project" means a project, except a project
22 providing an approach to a bridge over a river that forms a boundary of the state or

1 a southeast Wisconsin freeway rehabilitation project under s. 84.014, which
2 megaproject under s. 84.0145, that satisfies any of the following:

3 1m. The project has a total cost of more than \$5,000,000 \$30,000,000, subject
4 to adjustment under sub. (2m), and which involves any of the following:

5 **SECTION 20.** 84.013 (1) (a) 1. of the statutes is renumbered 84.013 (1) (a) 1m.

6 a.

7 **SECTION 21.** 84.013 (1) (a) 2. (intro.), a. and b. of the statutes are consolidated,
8 renumbered 84.013 (1) (a) 1m. b. and amended to read:

9 84.013 (1) (a) 1m. b. Reconstructing or reconditioning an existing highway by
10 either of the following: a. Relocating ~~relocating~~ 2.5 miles or more of the existing
11 highway. b. Adding or adding one or more lanes 5 miles or more in length to the
12 existing highway.

13 **SECTION 22.** 84.013 (1) (a) 2m. of the statutes is created to read:

14 84.013 (1) (a) 2m. The project has a total cost of more than \$75,000,000, subject
15 to adjustment under sub. (2m).

16 **SECTION 23.** 84.013 (1) (a) 3. of the statutes is renumbered 84.013 (1) (a) 1m.

17 c.

18 **SECTION 24.** 84.013 (2) (a) of the statutes is amended to read:

19 84.013 (2) (a) Subject to ss. 84.014 (6) (b), 84.555, and 86.255, major highway
20 projects shall be funded from the appropriations under ss. 20.395 (3) (bq) to (bx) and
21 (ct) and (4) (jq) and 20.866 (2) (ur) to (uum) and (uus).

22 **SECTION 25.** 84.013 (2) (b) of the statutes is amended to read:

23 84.013 (2) (b) Except as provided in ss. 84.014, 84.03 (3), and 84.555, and
24 subject to s. ss. 84.014 (6) (c) and 86.255, reconditioning, reconstruction and

1 resurfacing of highways shall be funded from the appropriations under ss. 20.395 (3)
2 (cq) to (cx) and 20.866 (2) (uur) and (uut).

3 **SECTION 26.** 84.013 (2m) of the statutes is created to read:

4 84.013 (2m) The department shall annually adjust the amounts specified in
5 sub. (1) (a) 1m. and 2m. to reflect the annual change in the Wisconsin Department
6 of Transportation Price Index, Yearly Moving Average, as maintained by the
7 department or, if at any time the department no longer maintains this index, another
8 suitable index as determined by the department. Beginning in 2012, prior to October
9 1 of each year, the department shall compute the annual adjustment required under
10 this subsection and shall publish the new adjusted amount applicable under sub. (1)
11 (a) 1m. and 2m., which amount shall become effective on October 1 of that year. The
12 department may not adjust the amounts specified in sub. (1) (a) 1m. and 2m. to an
13 amount less than that specified in sub. (1) (a) 1m. and 2m.

14 **SECTION 27.** 84.013 (3) (ad) of the statutes is created to read:

15 84.013 (3) (ad) Notwithstanding s. 13.489 (4) (c), any project approved by the
16 transportation projects commission under s. 13.489 (4m) (b).

17 **SECTION 28.** 84.014 (2) of the statutes is amended to read:

18 84.014 (2) Subject to ss. 84.555 and 86.255, any southeast Wisconsin freeway
19 rehabilitation projects, including the Marquette interchange reconstruction project
20 and projects that involve adding one or more lanes 5 miles or more in length to the
21 existing freeway, may be funded ~~only~~ from the appropriations under ss. 20.395 (3)
22 (cr), (ct), (cw), and (cy) and 20.866 (2) (uum) and (uup).

23 **SECTION 29.** 84.014 (6) of the statutes is created to read:

insert
12-16

1 84.014 (6) (a) A southeast Wisconsin freeway rehabilitation project under this
2 section may not simultaneously be considered a southeast Wisconsin freeway
3 megaproject under s. 84.0145.

4 (b) Notwithstanding sub. (5m), a southeast Wisconsin freeway rehabilitation
5 project under this section may also be considered a major highway project, eligible
6 for funding under s. 84.013 (2) (a), if the project meets the criteria for a major
7 highway project under s. 84.013 (1) (a) and satisfies all applicable requirements
8 under ss. 13.489 and 84.013.

9 (c) Notwithstanding sub. (5m), a southeast Wisconsin freeway rehabilitation
10 project under this section may also be eligible for funding under s. 84.013 (2) (b) if
11 the project is not considered a southeast Wisconsin freeway megaproject under s.
12 84.0145 or a major highway project under s. 84.013.

13 **SECTION 30.** 84.0145 of the statutes is created to read:

14 **84.0145 Southeast Wisconsin freeway megaprojects. (1)** In this section:

15 (a) "I 94 north-south corridor" has the meaning given in s. 84.014 (5m) (ag) 1.

16 (b) "Southeast Wisconsin freeway" has the meaning given in s. 84.014 (1) (e).

17 (c) "Southeast Wisconsin freeway megaproject" means any project on a
18 southeast Wisconsin freeway having a total cost of more than \$500 million, subject
19 to adjustment under sub. (4).

20 (d) "Zoo interchange" has the meaning given in s. 84.014 (5m) (ag) 2.

21 **(2)** Subject to sub. (3) and s. 86.255, any southeast Wisconsin freeway
22 megaproject may be funded only from the appropriations under ss. 20.395 (3) (aq),
23 (av), (ax), and (ct) and 20.866 (2) (uup).

1 (3) (a) The department may not encumber or expend any moneys for
2 construction of a southeast Wisconsin freeway megaproject unless the project is
3 specifically enumerated in a list under par. (b).

4 (b) The department may provide funding for the following southeast Wisconsin
5 freeway megaprojects:

6 1. The I 94 north-south corridor project.

7 2. The Zoo interchange project.

8 (4) The department shall annually adjust the amount specified in sub. (1) (c)
9 to reflect the annual change in the Wisconsin Department of Transportation Price
10 Index, Yearly Moving Average, as maintained by the department or, if at any time
11 the department no longer maintains this index, another suitable index as
12 determined by the department. Beginning in 2012, prior to October 1 of each year,
13 the department shall compute the annual adjustment required under this subsection
14 and shall publish the new adjusted amount applicable under sub. (1) (c), which
15 amount shall become effective on October 1 of that year. The department may not
16 adjust the amount specified in sub. (1) (c) to an amount less than that specified in sub.
17 (1) (c).

18 **SECTION 31.** 84.555 (1m) of the statutes is amended to read:

19 84.555 (1m) Notwithstanding sub. (1) and ss. 84.51 and 84.59, the proceeds of
20 general obligation bonds issued under s. 20.866 (2) (uum) are allocated for
21 expenditure obligations under s. 84.95 and s. 84.014 and the proceeds of general
22 obligation bonds issued under s. 20.866 (2) (uup) may be used to fund expenditure
23 obligations for the Marquette interchange reconstruction project under s. 84.014
24 and, for the reconstruction of the I 94 north-south corridor, as defined in s. 84.014
25 (5m) (ag) 1., and southeast Wisconsin freeway megaprojects under s. 84.0145.

****NOTE: When the budget bill is compiled, this provision will be reconciled with the treatment of the same statute in LRB-0459.

SECTION 32. 85.05 of the statutes is amended to read:

85.05 Evaluation of proposed major highway projects. The department by rule shall establish a procedure for numerically evaluating projects considered for enumeration under s. 84.013 (3) as a major highway project. The evaluation procedure may include any criteria that the department considers relevant. The rules shall establish a minimum score that a project shall meet or exceed when evaluated under the procedure established under this section before the department may recommend the project to the transportation projects commission for consideration under s. 13.489 (4). This section does not apply to major highway projects identified in s. 84.013 (3) (ad).

SECTION 33. 227.01 (13) (yc) of the statutes is created to read:

227.01 (13) (yc) Adjusts the total cost threshold for highway projects under ss. 84.013 (2m) and 84.0145 (4).

SECTION 9348. Initial applicability; Transportation.

(1) MAJOR HIGHWAY PROJECTS. The treatment of sections 13.489 (1m) (f), (4) (d), and (4m), 84.013 (1) (a) (intro.), 1., 2. (intro.), a., and b., 2m., and 3., (2m), and (3) (ad), 85.05, and 227.01 (13) (yc) (as it relates to major highway projects) of the statutes first applies to highway projects for which preliminary engineering and design work commences after the effective date of this subsection.

(END)

↑
Editors: omission
of AM 84.013 (4) (a)
in init. app. 13
intentional

**2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1403/3ins
ARG:.....

INSERT ANAL-A:

(no ¶) If these pre-conditions are satisfied, DOT may perform preliminary engineering and design work for a major highway project but may not undertake construction of the project until the legislature has enumerated the project by statute.✓

INSERT ANAL-B:

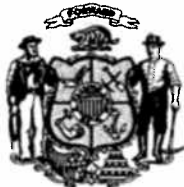
(no ¶) With respect to major highway projects in the first category, the bill also allows DOT to perform engineering and design work, not limited to preliminary engineering and design work, for a major highway project prior to its statutory enumeration by the legislature.✓

INSERT 12-16:

SECTION 1. 84.013 (4) (a) of the statutes is amended to read:

84.013 (4) (a) Subject to s. 13.489 (1m), in preparation for future major highway projects, the department may perform preliminary engineering and design work and studies for possible major highway projects not listed under sub. (3), but no major highway may be constructed unless the project is listed under sub. (3) or approved under sub. (6).✓

History: 1983 a. 27; 1985 a. 29 ss. 1564 to 1566g, 3202 (51); 1987 a. 27 ss. 10cm, 1654un to 1654uws; 1987 a. 403; 1989 a. 31; 1991 a. 39; 1993 a. 16, 237, 246; 1995 a. 27 s. 9116 (5); 1995 a. 113; 1997 a. 27; 1999 a. 9; 2001 a. 16, 109; 2003 a. 33; 2005 a. 25; 2007 a. 20; 2009 a. 28, 276.



State of Wisconsin
2011 - 2012 LEGISLATURE

m
2/18



LRB-1403/4
ARG:wnw&kjfjf

RMR

DOA:.....Byrnes, BB0347 - SE Wisconsin Freeway megaprojects

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

D-note

don't gen.

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

HIGHWAYS

Under current law, the Transportation Projects Commission (TPC) consists of the governor, three citizen members, and ten members of the legislature. The secretary of transportation serves as a nonvoting member of the TPC and the governor serves as chairperson of the TPC.

Under current law, DOT administers a major highway projects program. With certain exceptions, a major highway project is a project having a total cost of more than \$5,000,000 and involving construction of a new highway 2.5 miles or more in length; reconstruction or reconditioning of an existing highway that relocates at least 2.5 miles of the highway or adds one or more lanes five miles or more in length to the highway; or improvement of an existing multilane, divided highway to freeway standards. Any major highway project, unlike other highway construction projects undertaken by DOT, must generally receive the approval of the TPC and the legislature (generally referred to as "enumeration") before the project may be constructed. DOT may not begin preparing an environmental impact statement (EIS) or environmental assessment (EA) for a potential major highway project without TPC approval. The TPC may not recommend approval of any major highway project unless the TPC has been notified that a final EIS or EA for the project has been approved by the Federal Highway Administration. The legislature may not

enumerate any major highway project unless the TPC has recommended approval of the project. If these pre-conditions are satisfied, DOT may perform preliminary engineering and design work for a major highway project but may not undertake construction of the project until the legislature has enumerated the project by statute. The major highway projects program is funded from state, federal, and local funds appropriations and bond proceeds.

Under current law, southeast Wisconsin freeway rehabilitation projects include the reconditioning, reconstruction, or resurfacing of, or adding one or more lanes to, a state trunk highway, located in Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, or Waukesha county, that has four or more lanes of traffic physically separated by a median or barrier and that gives preference to through traffic by limiting access to interchanges only. A project may not be considered both a major highway project and a southeast Wisconsin freeway rehabilitation project. Southeast Wisconsin freeway rehabilitation projects, which include the Marquette interchange reconstruction project, the I 94 north-south corridor project, and the Zoo interchange project in Milwaukee County, may be funded only from appropriations specifically designated for such projects or from bond proceeds. Southeast Wisconsin freeway rehabilitation projects that involve adding at least one lane five miles or more in length cannot be funded from state, federal, and local funds appropriations without legislative approval, accomplished through statutory enumeration. Only the reconstruction of the I 94 north-south corridor project and the Zoo interchange have been so enumerated. After June 30, 2011, funding under the state, federal, and local funds appropriations for southeast Wisconsin freeway rehabilitation projects terminates, but bond proceeds may still be used to fund these projects.

In addition to the major highway projects program and the southeast Wisconsin freeway rehabilitation program, DOT administers a state highway rehabilitation program. This program provides funding for state highway improvements that are not major highway projects or southeast Wisconsin freeway rehabilitation projects. The program is funded from state, federal, and local funds appropriations and bond proceeds.

*insert
ANAL-A* → This bill modifies the definition of "major highway project" to recognize two categories of major highway projects. In the first category, a major highway project is defined as under current law except that the total cost threshold is increased by the bill from \$5,000,000 to \$30,000,000. In the second category, with certain exceptions, a major highway project is a project having a total cost of at least \$75,000,000. For both categories of major highway projects, the total cost threshold is adjusted annually by DOT based on an inflation index maintained by DOT. The bill maintains the current TPC review and approval process for major highway projects in the first category but creates a new TPC review and approval process for major highway projects in the second category. Under the bill, DOT may prepare an EIS or EA for a major highway project in the second category without TPC approval. However, prior to construction of the project, DOT must submit a report to the TPC and request TPC approval to proceed with the project. If the chairperson of the TPC does not notify DOT within 14 working days after this request for approval is submitted that the TPC has scheduled a meeting for the purpose of reviewing the

request, the request is considered approved and DOT may proceed with the project. If, within 14 working days after DOT submits the request, the chairperson of the TPC notifies DOT that the TPC has scheduled a meeting for the purpose of reviewing the request, DOT may implement the request only as approved by the TPC. DOT may not proceed with construction of a major highway project in the second category unless the project is approved, implicitly or explicitly, by the TPC under this passive review process. Once approved by the TPC, the project is considered "enumerated" as a major highway project under the statutes. With respect to major highway projects in the first category, the bill also allows DOT to perform engineering and design work, not limited to preliminary engineering and design work, for a major highway project prior to its statutory enumeration by the legislature.

The bill also creates a new category of highway projects called "southeast Wisconsin freeway megaprojects," which are projects on southeast Wisconsin freeways that have a total cost of more than \$500 million, as adjusted for inflation annually by DOT. These projects may be funded only from newly created state, federal, and local funds appropriations for these projects, along with bond proceeds and an existing insurance cost-recovery appropriation. No funding for construction of these projects may be provided without legislative approval by means of statutory enumeration. The bill enumerates the I 94 north-south corridor project and the Zoo interchange project as southeast Wisconsin freeway megaprojects. This bill also authorizes proceeds from certain general obligation bonding to be used to fund southeast Wisconsin freeway megaprojects.

Under this bill, southeast Wisconsin freeway rehabilitation projects may also be considered major highway projects, eligible for major highway project funding, if they satisfy all criteria and requirements for major highway projects, including approval through the TPC process and statutory enumeration. A southeast Wisconsin freeway rehabilitation project that is not a major highway project and not a southeast Wisconsin freeway megaproject may be eligible for state highway rehabilitation funding. However, a southeast Wisconsin freeway rehabilitation project cannot also be considered a southeast Wisconsin freeway megaproject.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 13.489 (1m) (f) of the statutes is created to read:
- 2 13.489 (**1m**) (f) This subsection does not apply to major highway projects
- 3 described in s. 84.013 (1) (a) 2m.
- 4 **SECTION 2.** 13.489 (4) (d) of the statutes is created to read:

1 13.489 (4) (d) This subsection does not apply to major highway projects
2 described in s. 84.013 (1) (a) 2m.

3 **SECTION 3.** 13.489 (4m) of the statutes is created to read:

4 13.489 (4m) REVIEW OF HIGH-COST MAJOR HIGHWAY PROJECTS. (a)
5 Notwithstanding sub. (4), for any major highway project described in s. 84.013 (1) (a)
6 2m., the department of transportation shall submit a report to the commission, prior
7 to construction of the project, which report may request the commission's approval
8 to proceed with the project. The department may submit this request at any time
9 following completion by the department of a draft environmental impact statement
10 or environmental assessment for the project.

11 (b) After receiving a request under par. (a) for approval to proceed with a major
12 highway project described in s. 84.013, if the chairperson of the commission does not
13 notify the department of transportation within 14 working days after the date on
14 which the department submits the request under par. (a) that the commission has
15 scheduled a meeting for the purpose of reviewing the request, the request is
16 considered approved and the department may proceed with the project. If, within
17 14 working days after the date on which the department submits the request, the
18 chairperson of the commission notifies the department that the commission has
19 scheduled a meeting for the purpose of reviewing the request, the department may
20 implement the request only as approved by the commission, including approval after
21 modification by the commission.

22 (c) The department of transportation may not proceed with construction of a
23 major highway project described in s. 84.013 (1) (a) 2m. unless the project is approved
24 by the commission as provided in par. (b).

(d) The procedures specified in this subsection shall apply to all major highway projects described in s. 84.013 (1) (a) 2m. in lieu of the procedures described in sub. (4).

SECTION 4. 20.395 (3) (aq) of the statutes is created to read:

20.395 (3) (aq) *Southeast Wisconsin freeway megaprojects, state funds.* As a continuing appropriation, the amounts in the schedule for southeast Wisconsin freeway megaprojects under s. 84.0145. This paragraph does not apply to the installation, replacement, rehabilitation, or maintenance of highway signs, traffic control signals, highway lighting, pavement markings, or intelligent transportation systems, unless incidental to a southeast Wisconsin freeway megaproject.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 5. 20.395 (3) (av) of the statutes is created to read:

20.395 (3) (av) *Southeast Wisconsin freeway megaprojects, local funds.* All moneys received from any local unit of government or other source for southeast Wisconsin freeway megaprojects under s. 84.0145, for such purposes.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 6. 20.395 (3) (ax) of the statutes is created to read:

20.395 (3) (ax) *Southeast Wisconsin freeway megaprojects, federal funds.* All moneys received from the federal government for southeast Wisconsin freeway megaprojects under s. 84.0145, for such purposes. This paragraph does not apply to the installation, replacement, rehabilitation, or maintenance of highway signs, traffic control signals, highway lighting, pavement markings, or intelligent transportation systems, unless incidental to a southeast Wisconsin freeway megaproject.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 **SECTION 7.** 20.395 (3) (bq) of the statutes is amended to read:

2 20.395 (3) (bq) *Major highway development, state funds.* As a continuing
3 appropriation, the amounts in the schedule for major development of state trunk and
4 connecting highways and for the disadvantaged business demonstration and
5 training program under s. 84.076. This paragraph does not apply to ~~major~~
6 ~~development of~~ with respect to any southeast Wisconsin freeway, ~~as defined in s.~~
7 ~~84.014 (1) (e)~~ megaproject under s. 84.0145.

8 **SECTION 8.** 20.395 (3) (br) of the statutes is amended to read:

9 20.395 (3) (br) *Major highway development, service funds.* All moneys received
10 from the fund created under s. 18.57 (1) as reimbursement for the temporary
11 financing under sub. (9) (th) of projects for major development of state trunk and
12 connecting highways that are financed under s. 84.59 and enumerated under s.
13 84.013 (3), for the purpose of financing such projects. This paragraph does not apply
14 to ~~any project for major development of a~~ with respect to any southeast Wisconsin
15 freeway, ~~as defined in s. 84.014 (1) (e)~~ megaproject under s. 84.0145.

16 **SECTION 9.** 20.395 (3) (bv) of the statutes is amended to read:

17 20.395 (3) (bv) *Major highway development, local funds.* All moneys received
18 from any local unit of government or other source for major development of state
19 trunk and connecting highways, including the railroad and utility alteration and
20 relocation loan program under s. 84.065, and the disadvantaged business
21 demonstration and training program under s. 84.076, for such purposes. This
22 paragraph does not apply with respect to ~~major development of~~ any southeast
23 Wisconsin freeway, ~~as defined in s. 84.014 (1) (e)~~ megaproject under s. 84.0145.

1 **SECTION 10.** 20.395 (3) (bx) of the statutes is amended to read:

2 20.395 (3) (bx) *Major highway development, federal funds.* All moneys received
3 from the federal government for major development of state trunk and connecting
4 highways and the disadvantaged business demonstration and training program
5 under s. 84.076, for such purposes. This paragraph does not apply to ~~major~~
6 ~~development of~~ with respect to any southeast Wisconsin freeway, ~~as defined in s.~~
7 ~~84.014 (1) (e)~~ megaproject under s. 84.0145.

8 **SECTION 11.** 20.395 (3) (cq) of the statutes is amended to read:

9 20.395 (3) (cq) *State highway rehabilitation, state funds.* As a continuing
10 appropriation, the amounts in the schedule for improvement of existing state trunk
11 and connecting highways; for improvement of bridges on state trunk or connecting
12 highways and other bridges for which improvement is a state responsibility, for
13 necessary approach work for such bridges and for replacement of such bridges with
14 at-grade crossing improvements; for the construction and rehabilitation of the
15 national system of interstate and defense highways and bridges and related
16 appurtenances; for special maintenance activities under s. 84.04 on roadside
17 improvements; for bridges under s. 84.10; for the bridge project under s. 84.115; for
18 payment to a local unit of government for a jurisdictional transfer under s. 84.02 (8);
19 for the disadvantaged business demonstration and training program under s.
20 84.076; for the transfers required under 1999 Wisconsin Act 9, section 9250 (1) and
21 2003 Wisconsin Act 33, section 9153 (4q); and for the purposes described under 1999
22 Wisconsin Act 9, section 9150 (8g), 2001 Wisconsin Act 16, section 9152 (4e), and 2007
23 Wisconsin Act 20, section 9148 (9i) (b) and (9x). This paragraph does not apply to any
24 southeast Wisconsin freeway megaprojects under s. 84.0145, to any southeast
25 Wisconsin freeway rehabilitation projects under s. 84.014 that also qualify as major

1 highway projects under s. 84.013, or to the installation, replacement, rehabilitation,
2 or maintenance of highway signs, traffic control signals, highway lighting, pavement
3 markings, or intelligent transportation systems, unless incidental to the
4 improvement of existing state trunk and connecting highways.

5 **SECTION 12.** 20.395 (3) (cv) of the statutes is amended to read:

6 20.395 (3) (cv) *State highway rehabilitation, local funds.* All moneys received
7 from any local unit of government or other source for the specific information sign
8 program under s. 86.195; for improvement of existing state trunk and connecting
9 highways; for improvement of bridges on state trunk or connecting highways and
10 other bridges for which improvement is a state responsibility, for necessary approach
11 work for such bridges and for replacement of such bridges with at-grade crossing
12 improvements; for the construction and rehabilitation of the national system of
13 interstate and defense highways and bridges and related appurtenances; for special
14 maintenance activities under s. 84.04 on roadside improvements; for the bridge
15 project under s. 84.115; for the railroad and utility alteration and relocation loan
16 program under s. 84.065; and for the disadvantaged business demonstration and
17 training program under s. 84.076, for such purposes. This paragraph does not apply
18 to any southeast Wisconsin freeway megaprojects under s. 84.0145 or to any
19 southeast Wisconsin freeway rehabilitation projects under s. 84.014 that also qualify
20 as major highway projects under s. 84.013.

21 **SECTION 13.** 20.395 (3) (cx) of the statutes is amended to read:

22 20.395 (3) (cx) *State highway rehabilitation, federal funds.* All moneys
23 received from the federal government for improvement of existing state trunk and
24 connecting highways; for improvement of bridges on state trunk or connecting
25 highways and other bridges for which improvement is a state responsibility, for

1 necessary approach work for such bridges and for replacement of such bridges with
 2 at-grade crossing improvements; for the construction and rehabilitation of the
 3 national system of interstate and defense highways and bridges and related
 4 appurtenances; for special maintenance activities under s. 84.04 on roadside
 5 improvements; for the bridge project under s. 84.115; and for the disadvantaged
 6 business demonstration and training program under s. 84.076; and all moneys
 7 received under 2003 Wisconsin Act 33, section 9153 (4q); for such purposes. This
 8 paragraph does not apply to any southeast Wisconsin freeway megaprojects under
 9 s. 84.0145 or to any southeast Wisconsin freeway rehabilitation projects under s.
 10 84.014 that also qualify as major highway projects under s. 84.013.

11 **SECTION 14.** 20.395 (6) (au) of the statutes is amended to read: Zoo interchange ✓

12 20.395 (6) (au) *Principal repayment and interest, Marquette interchange,*
 13 southeast megaprojects, and I 94 north-south corridor reconstruction projects, state
 14 funds. A sum sufficient to reimburse s. 20.866 (1) (u) for the payment of principal
 15 and interest costs incurred in financing the Marquette interchange reconstruction
 16 project ^{strike} ~~and~~ the reconstruction of the I 94 north-south corridor and southeast
 17 Wisconsin freeway megaprojects, as provided under ss. 20.866 (2) (uup) and 84.555,
 18 and to make payments under an agreement or ancillary arrangement entered into
 19 under s. 18.06 (8) (a). and the Zoo interchange ✓

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

Insert 9-19 *
 ****NOTE: When the budget bill is compiled, this provision will be reconciled with the treatment of the same statute in LRB-0459.

20 **SECTION 15.** 20.866 (2) (ur) of the statutes is amended to read:

21 20.866 (2) (ur) *Transportation; accelerated highway improvements.* From the
 22 capital improvement fund, a sum sufficient to acquire, construct, develop, enlarge,

1 or improve state highway facilities as provided by ss. 84.06 and 84.09. The state may
2 contract public debt in an amount not to exceed \$185,000,000 for this purpose. This
3 paragraph does not apply with respect to any southeast Wisconsin freeway
4 ~~rehabilitation projects under s. 84.014~~ megaproject under s. 84.0145.

5 SECTION 16. 20.866 (2) (uu) of the statutes is amended to read:

6 20.866 (2) (uu) *Transportation; highway projects.* From the capital
7 improvement fund, a sum sufficient for the department of transportation to acquire,
8 construct, reconstruct, improve, or develop highway projects under ss. 84.06 and
9 84.09. The state may contract public debt in an amount not to exceed \$41,000,000 for
10 this purpose. This paragraph does not apply with respect to any southeast Wisconsin
11 freeway ~~rehabilitation projects under s. 84.014~~ megaproject under s. 84.0145.

12 SECTION 17. 20.866 (2) (uup) of the statutes is amended to read:

13 20.866 (2) (uup) *Transportation; Marquette interchange, ^{① Zoo interchange, ✓} / southeast*
14 *megaprojects, and I 94 north-south corridor reconstruction projects.* From the capital
15 improvement fund, a sum sufficient for the department of transportation to fund the
16 Marquette interchange reconstruction project under s. 84.014, as provided under s.
17 84.555, ~~and the reconstruction of the I 94 north-south corridor,~~ as provided under
18 s. 84.555 (1m), and southeast Wisconsin freeway megaprojects under s. 84.0145, as
19 provided under s. 84.555 (1m). The state may contract public debt in an amount not
20 to exceed ~~\$553,550,000~~ ^{strike ↓} \$704,750,000 ✓ *and the Zoo interchange* for these purposes.

****NOTE: When the budget bill is compiled, this provision will be reconciled with
the treatment of the same statute in LRB-0459.

21 SECTION 18. 84.01 (33) (c) of the statutes is repealed.

22 SECTION 19. 84.013 (1) (a) (intro.) of the statutes is amended to read:

84.013 (1) (a) (intro.) "Major highway project" means a project, except a project providing an approach to a bridge over a river that forms a boundary of the state or a southeast Wisconsin freeway rehabilitation project under s. 84.014, which megaproject under s. 84.0145, that satisfies any of the following:

1m. The project has a total cost of more than \$5,000,000 \$30,000,000, subject to adjustment under sub. (2m), and which involves any of the following:

SECTION 20. 84.013 (1) (a) 1. of the statutes is renumbered 84.013 (1) (a) 1m.

a.

SECTION 21. 84.013 (1) (a) 2. (intro.), a. and b. of the statutes are consolidated, renumbered 84.013 (1) (a) 1m. b. and amended to read:

84.013 (1) (a) 1m. b. Reconstructing or reconditioning an existing highway by either of the following: a. ~~Relocating~~ relocating 2.5 miles or more of the existing highway. b. ~~Adding~~ adding one or more lanes 5 miles or more in length to the existing highway.

SECTION 22. 84.013 (1) (a) 2m. of the statutes is created to read:

84.013 (1) (a) 2m. The project has a total cost of more than \$75,000,000, subject to adjustment under sub. (2m).

SECTION 23. 84.013 (1) (a) 3. of the statutes is renumbered 84.013 (1) (a) 1m.

c.

SECTION 24. 84.013 (2) (a) of the statutes is amended to read:

84.013 (2) (a) Subject to ss. 84.014 (6) (b), 84.555, and 86.255, major highway projects shall be funded from the appropriations under ss. 20.395 (3) (bq) to (bx) and (ct) and (4) (jq) and 20.866 (2) (ur) to (uum) and (uus).

SECTION 25. 84.013 (2) (b) of the statutes is amended to read:

1 84.013 (2) (b) Except as provided in ss. ~~84.014~~, 84.03 (3), and 84.555, and
2 subject to ~~s. ss. 84.014 (6) (c) and~~ 86.255, reconditioning, reconstruction and
3 resurfacing of highways shall be funded from the appropriations under ss. 20.395 (3)
4 (cq) to (cx) and 20.866 (2) (uur) and (uut).

5 **SECTION 26.** 84.013 (2m) of the statutes is created to read:

6 84.013 (2m) The department shall annually adjust the amounts specified in
7 sub. (1) (a) 1m. and 2m. to reflect the annual change in the Wisconsin Department
8 of Transportation Price Index, Yearly Moving Average, as maintained by the
9 department or, if at any time the department no longer maintains this index, another
10 suitable index as determined by the department. Beginning in 2012, prior to October
11 1 of each year, the department shall compute the annual adjustment required under
12 this subsection and shall publish the new adjusted amount applicable under sub. (1)
13 (a) 1m. and 2m., which amount shall become effective on October 1 of that year. The
14 department may not adjust the amounts specified in sub. (1) (a) 1m. and 2m. to an
15 amount less than that specified in sub. (1) (a) 1m. and 2m.

16 **SECTION 27.** 84.013 (3) (ad) of the statutes is created to read:

17 84.013 (3) (ad) Notwithstanding s. 13.489 (4) (c), any project approved by the
18 transportation projects commission under s. 13.489 (4m) (b).

19 **SECTION 28.** 84.013 (4) (a) of the statutes is amended to read:

20 84.013 (4) (a) Subject to s. 13.489 (1m), in preparation for future major highway
21 projects, the department may perform preliminary engineering and design work and
22 studies for possible major highway projects not listed under sub. (3), but no major
23 highway may be constructed unless the project is listed under sub. (3) or approved
24 under sub. (6).

25 **SECTION 29.** 84.014 (2) of the statutes is amended to read:

1 84.014 (2) Subject to ss. 84.555 and 86.255, any southeast Wisconsin freeway
2 rehabilitation projects, including the Marquette interchange reconstruction project
3 and projects that involve adding one or more lanes 5 miles or more in length to the
4 existing freeway, may be funded ~~only~~ from the appropriations under ss. 20.395 (3)
5 (cr), (ct), (cw), and (cy) and 20.866 (2) (uum) and (uup).

6 **SECTION 30.** 84.014 (6) of the statutes is created to read:

7 84.014 (6) (a) A southeast Wisconsin freeway rehabilitation project under this
8 section may not simultaneously be considered a southeast Wisconsin freeway
9 megaproject under s. 84.0145.

10 (b) Notwithstanding sub. (5m), a southeast Wisconsin freeway rehabilitation
11 project under this section may also be considered a major highway project, eligible
12 for funding under s. 84.013 (2) (a), if the project meets the criteria for a major
13 highway project under s. 84.013 (1) (a) and satisfies all applicable requirements
14 under ss. 13.489 and 84.013.

15 (c) Notwithstanding sub. (5m), a southeast Wisconsin freeway rehabilitation
16 project under this section may also be eligible for funding under s. 84.013 (2) (b) if
17 the project is not considered a southeast Wisconsin freeway megaproject under s.
18 84.0145 or a major highway project under s. 84.013.

19 **SECTION 31.** 84.0145 of the statutes is created to read:

20 **84.0145 Southeast Wisconsin freeway megaprojects.** (1) In this section:

21 (a) "I 94 north-south corridor" has the meaning given in s. 84.014 (5m) (ag) 1.

22 (b) "Southeast Wisconsin freeway" has the meaning given in s. 84.014 (1) (e).

23 (c) "Southeast Wisconsin freeway megaproject" means any project on a
24 southeast Wisconsin freeway having a total cost of more than \$500 million, subject
25 to adjustment under sub. (4).

(d) "Zoo interchange" has the meaning given in s. 84.014 (5m) (ag) 2.

(2) Subject to sub. (3) and s. 86.255, any southeast Wisconsin freeway megaproject may be funded only from the appropriations under ss. 20.395 (3) (aq), (av), (ax), and (ct) and 20.866 (2) (uup).

(3) (a) The department may not encumber or expend any moneys for construction of a southeast Wisconsin freeway megaproject unless the project is specifically enumerated in a list under par. (b).

(b) The department may provide funding for the following southeast Wisconsin freeway megaprojects:

1. The I 94 north-south corridor project.

2. The Zoo interchange project.

(4) The department shall annually adjust the amount specified in sub. (1) (c) to reflect the annual change in the Wisconsin Department of Transportation Price Index, Yearly Moving Average, as maintained by the department or, if at any time the department no longer maintains this index, another suitable index as determined by the department. Beginning in 2012, prior to October 1 of each year, the department shall compute the annual adjustment required under this subsection and shall publish the new adjusted amount applicable under sub. (1) (c), which amount shall become effective on October 1 of that year. The department may not adjust the amount specified in sub. (1) (c) to an amount less than that specified in sub. (1) (c).

SECTION 32. 84.555 (1m) of the statutes is amended to read:

84.555 (1m) Notwithstanding sub. (1) and ss. 84.51 and 84.59, the proceeds of general obligation bonds issued under s. 20.866 (2) (uum) are allocated for expenditure obligations under s. 84.95 and s. 84.014 and the proceeds of general

1 obligation bonds issued under s. 20.866 (2) (uup) may be used to fund expenditure
2 obligations for the Marquette interchange reconstruction project under s. 84.014
3 and, for the reconstruction of the I 94 north-south corridor, as defined in s. 84.014
4 (5m) (ag) 1., and southeast Wisconsin freeway megaprojects under s. 84.0145.

***NOTE: When the budget bill is compiled, this provision will be reconciled with
the treatment of the same statute in LRB-0459.

5 **SECTION 33.** 85.05 of the statutes is amended to read:

6 **85.05 Evaluation of proposed major highway projects.** The department
7 by rule shall establish a procedure for numerically evaluating projects considered for
8 enumeration under s. 84.013 (3) as a major highway project. The evaluation
9 procedure may include any criteria that the department considers relevant. The
10 rules shall establish a minimum score that a project shall meet or exceed when
11 evaluated under the procedure established under this section before the department
12 may recommend the project to the transportation projects commission for
13 consideration under s. 13.489 (4). This section does not apply to major highway
14 projects identified in s. 84.013 (3) (ad).

15 **SECTION 34.** 227.01 (13) (yc) of the statutes is created to read:

16 227.01 (13) (yc) Adjusts the total cost threshold for highway projects under ss.
17 84.013 (2m) and 84.0145 (4).

18 **SECTION 9348. Initial applicability; Transportation.**

19 (1) **MAJOR HIGHWAY PROJECTS.** The treatment of sections 13.489 (1m) (f), (4) (d),
20 and (4m), 84.013 (1) (a) (intro.), 1., 2. (intro.), a., and b., 2m., and 3., (2m), and (3) (ad),
21 85.05, and 227.01 (13) (yc) (as it relates to major highway projects) of the statutes

1 first applies to highway projects for which preliminary engineering and design work
2 commences after the effective date of this subsection.

3 (END)

① Note

**2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1403/4ins
ARG:.....

1

2

INSERT ANAL-A:

Under current law, the general obligation bond proceeds that may be used to fund major highway projects, southeast Wisconsin freeway rehabilitation projects, and state highway rehabilitation projects, as applicable, are authorized in various statutory provisions. Various provisions of current law authorize specific maximum levels of general obligation bonding for these projects, respectively, and the total authorized amount of general obligation bonding available for these projects is the cumulative amount specified in all applicable provisions.✓

3

4

5

INSERT 9-19:

****NOTE: This is reconciled s. 20.395 (6) (au).✓ This SECTION has been affected by drafts with the following LRB numbers: LRB-0459✓ and LRB-1403.✓

6

7

INSERT 10-20:

****NOTE: This is reconciled s. 20.866 (2) (uup).✓ This SECTION has been affected by drafts with the following LRB numbers: LRB-0459 and LRB-1403.✓

8

INSERT 15-5:

****NOTE: This is reconciled s. 84.555 (1m).✓ This SECTION has been affected by drafts with the following LRB numbers: LRB-0459 and LRB-1403.✓

9



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-0459/2

ARG:cjs:jf

INSERTS

DOA:.....Byrnes BB0127 - General obligation bonding authority for I 94
North-South Corridor

FOR 2011-13 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

Under current law

HIGHWAYS

Current law includes specific provisions applicable to southeast Wisconsin freeway rehabilitation projects, including the Marquette interchange reconstruction project and the I 94 north-south corridor reconstruction project. Among the sources for funding southeast Wisconsin freeway rehabilitation projects, the state may contract up to \$553,550,000 in public debt, in the form of general obligation bonds, for DOT's funding of the Marquette interchange reconstruction project and the I 94 north-south corridor reconstruction project.

This bill increases from \$553,550,000 to \$704,750,000 the limit for this authorized general obligation bonding and allows proceeds from this bonding to also be used to fund another southeast Wisconsin freeway rehabilitation project, the reconstruction of the Zoo interchange.

For further information see the ~~state~~ fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

*Insert
ANAL - B*

1 ~~(5m) (ag) 2.11~~ for the reconstruction of the Zoo interchange, as defined in s. 84.014

2 (5m) (ag) 2.2 ✓

3 (END)

Insert
15-4

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1403/4dn

ARG: f:....
nwn

Date

ATTN: Tyler Byrnes

✓
This draft reconciles LRB-0459 and LRB-1403. This draft incorporates all of LRB-0459 into LRB-1403. ✓ Therefore, LRB-0459 should be dropped from the compile. ✓

Aaron R. Gary
Legislative Attorney
Phone: (608) 261-6926
E-mail: aaron.gary@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

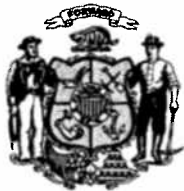
LRB-1403/4dn
ARG:nwn:rs

February 18, 2011

ATTN: Tyler Byrnes

This draft reconciles LRB-0459 and LRB-1403. This draft incorporates all of LRB-0459 into LRB-1403. Therefore, LRB-0459 should be dropped from the compile.

Aaron R. Gary
Legislative Attorney
Phone: (608) 261-6926
E-mail: aaron.gary@legis.wisconsin.gov



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1403/4
ARG:nwn&kjf:rs

DOA:.....Byrnes, BB0347 - SE Wisconsin Freeway megaprojects

FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

Analysis by the Legislative Reference Bureau

TRANSPORTATION

HIGHWAYS

Under current law, the Transportation Projects Commission (TPC) consists of the governor, three citizen members, and ten members of the legislature. The secretary of transportation serves as a nonvoting member of the TPC and the governor serves as chairperson of the TPC.

Under current law, DOT administers a major highway projects program. With certain exceptions, a major highway project is a project having a total cost of more than \$5,000,000 and involving construction of a new highway 2.5 miles or more in length; reconstruction or reconditioning of an existing highway that relocates at least 2.5 miles of the highway or adds one or more lanes five miles or more in length to the highway; or improvement of an existing multilane, divided highway to freeway standards. Any major highway project, unlike other highway construction projects undertaken by DOT, must generally receive the approval of the TPC and the legislature (generally referred to as "enumeration") before the project may be constructed. DOT may not begin preparing an environmental impact statement (EIS) or environmental assessment (EA) for a potential major highway project without TPC approval. The TPC may not recommend approval of any major highway project unless the TPC has been notified that a final EIS or EA for the project has been approved by the Federal Highway Administration. The legislature may not

enumerate any major highway project unless the TPC has recommended approval of the project. If these pre-conditions are satisfied, DOT may perform preliminary engineering and design work for a major highway project but may not undertake construction of the project until the legislature has enumerated the project by statute. The major highway projects program is funded from state, federal, and local funds appropriations and bond proceeds.

Under current law, southeast Wisconsin freeway rehabilitation projects include the reconditioning, reconstruction, or resurfacing of, or adding one or more lanes to, a state trunk highway, located in Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, or Waukesha county, that has four or more lanes of traffic physically separated by a median or barrier and that gives preference to through traffic by limiting access to interchanges only. A project may not be considered both a major highway project and a southeast Wisconsin freeway rehabilitation project. Southeast Wisconsin freeway rehabilitation projects, which include the Marquette interchange reconstruction project, the I 94 north-south corridor project, and the Zoo interchange project in Milwaukee County, may be funded only from appropriations specifically designated for such projects or from bond proceeds. Southeast Wisconsin freeway rehabilitation projects that involve adding at least one lane five miles or more in length cannot be funded from state, federal, and local funds appropriations without legislative approval, accomplished through statutory enumeration. Only the reconstruction of the I 94 north-south corridor project and the Zoo interchange have been so enumerated. After June 30, 2011, funding under the state, federal, and local funds appropriations for southeast Wisconsin freeway rehabilitation projects terminates, but bond proceeds may still be used to fund these projects.

In addition to the major highway projects program and the southeast Wisconsin freeway rehabilitation program, DOT administers a state highway rehabilitation program. This program provides funding for state highway improvements that are not major highway projects or southeast Wisconsin freeway rehabilitation projects. The program is funded from state, federal, and local funds appropriations and bond proceeds.

Under current law, the general obligation bond proceeds that may be used to fund major highway projects, southeast Wisconsin freeway rehabilitation projects, and state highway rehabilitation projects, as applicable, are authorized in various statutory provisions. Various provisions of current law authorize specific maximum levels of general obligation bonding for these projects, respectively, and the total authorized amount of general obligation bonding available for these projects is the cumulative amount specified in all applicable provisions.

This bill modifies the definition of "major highway project" to recognize two categories of major highway projects. In the first category, a major highway project is defined as under current law except that the total cost threshold is increased by the bill from \$5,000,000 to \$30,000,000. In the second category, with certain exceptions, a major highway project is a project having a total cost of at least \$75,000,000. For both categories of major highway projects, the total cost threshold is adjusted annually by DOT based on an inflation index maintained by DOT. The bill maintains the current TPC review and approval process for major highway

projects in the first category but creates a new TPC review and approval process for major highway projects in the second category. Under the bill, DOT may prepare an EIS or EA for a major highway project in the second category without TPC approval. However, prior to construction of the project, DOT must submit a report to the TPC and request TPC approval to proceed with the project. If the chairperson of the TPC does not notify DOT within 14 working days after this request for approval is submitted that the TPC has scheduled a meeting for the purpose of reviewing the request, the request is considered approved and DOT may proceed with the project. If, within 14 working days after DOT submits the request, the chairperson of the TPC notifies DOT that the TPC has scheduled a meeting for the purpose of reviewing the request, DOT may implement the request only as approved by the TPC. DOT may not proceed with construction of a major highway project in the second category unless the project is approved, implicitly or explicitly, by the TPC under this passive review process. Once approved by the TPC, the project is considered "enumerated" as a major highway project under the statutes. With respect to major highway projects in the first category, the bill also allows DOT to perform engineering and design work, not limited to preliminary engineering and design work, for a major highway project prior to its statutory enumeration by the legislature.

The bill also creates a new category of highway projects called "southeast Wisconsin freeway megaprojects," which are projects on southeast Wisconsin freeways that have a total cost of more than \$500 million, as adjusted for inflation annually by DOT. These projects may be funded only from newly created state, federal, and local funds appropriations for these projects, along with bond proceeds and an existing insurance cost-recovery appropriation. No funding for construction of these projects may be provided without legislative approval by means of statutory enumeration. The bill enumerates the I 94 north-south corridor project and the Zoo interchange project as southeast Wisconsin freeway megaprojects. This bill also authorizes proceeds from certain general obligation bonding to be used to fund southeast Wisconsin freeway megaprojects.

Under this bill, southeast Wisconsin freeway rehabilitation projects may also be considered major highway projects, eligible for major highway project funding, if they satisfy all criteria and requirements for major highway projects, including approval through the TPC process and statutory enumeration. A southeast Wisconsin freeway rehabilitation project that is not a major highway project and not a southeast Wisconsin freeway megaproject may be eligible for state highway rehabilitation funding. However, a southeast Wisconsin freeway rehabilitation project cannot also be considered a southeast Wisconsin freeway megaproject.

Under current law, among the sources for funding southeast Wisconsin freeway rehabilitation projects, the state may contract up to \$553,550,000 in public debt, in the form of general obligation bonds, for DOT's funding of the Marquette interchange reconstruction project and the I 94 north-south corridor reconstruction project.

This bill increases from \$553,550,000 to \$704,750,000 the limit for this authorized general obligation bonding and allows proceeds from this bonding to also be used to fund another southeast Wisconsin freeway rehabilitation project, the reconstruction of the Zoo interchange.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 13.489 (1m) (f) of the statutes is created to read:

2 13.489 (1m) (f) This subsection does not apply to major highway projects
3 described in s. 84.013 (1) (a) 2m.

4 **SECTION 2.** 13.489 (4) (d) of the statutes is created to read:

5 13.489 (4) (d) This subsection does not apply to major highway projects
6 described in s. 84.013 (1) (a) 2m.

7 **SECTION 3.** 13.489 (4m) of the statutes is created to read:

8 13.489 (4m) REVIEW OF HIGH-COST MAJOR HIGHWAY PROJECTS. (a)
9 Notwithstanding sub. (4), for any major highway project described in s. 84.013 (1) (a)
10 2m., the department of transportation shall submit a report to the commission, prior
11 to construction of the project, which report may request the commission's approval
12 to proceed with the project. The department may submit this request at any time
13 following completion by the department of a draft environmental impact statement
14 or environmental assessment for the project.

15 (b) After receiving a request under par. (a) for approval to proceed with a major
16 highway project described in s. 84.013, if the chairperson of the commission does not
17 notify the department of transportation within 14 working days after the date on
18 which the department submits the request under par. (a) that the commission has
19 scheduled a meeting for the purpose of reviewing the request, the request is
20 considered approved and the department may proceed with the project. If, within
21 14 working days after the date on which the department submits the request, the

1 chairperson of the commission notifies the department that the commission has
2 scheduled a meeting for the purpose of reviewing the request, the department may
3 implement the request only as approved by the commission, including approval after
4 modification by the commission.

5 (c) The department of transportation may not proceed with construction of a
6 major highway project described in s. 84.013 (1) (a) 2m. unless the project is approved
7 by the commission as provided in par. (b).

8 (d) The procedures specified in this subsection shall apply to all major highway
9 projects described in s. 84.013 (1) (a) 2m. in lieu of the procedures described in sub.
10 (4).

11 **SECTION 4.** 20.395 (3) (aq) of the statutes is created to read:

12 20.395 (3) (aq) *Southeast Wisconsin freeway megaprojects, state funds.* As a
13 continuing appropriation, the amounts in the schedule for southeast Wisconsin
14 freeway megaprojects under s. 84.0145. This paragraph does not apply to the
15 installation, replacement, rehabilitation, or maintenance of highway signs, traffic
16 control signals, highway lighting, pavement markings, or intelligent transportation
17 systems, unless incidental to a southeast Wisconsin freeway megaproject.

***NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

18 **SECTION 5.** 20.395 (3) (av) of the statutes is created to read:

19 20.395 (3) (av) *Southeast Wisconsin freeway megaprojects, local funds.* All
20 moneys received from any local unit of government or other source for southeast
21 Wisconsin freeway megaprojects under s. 84.0145, for such purposes.

***NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

22 **SECTION 6.** 20.395 (3) (ax) of the statutes is created to read:

SECTION 6

1 20.395 (3) (ax) *Southeast Wisconsin freeway megaprojects, federal funds.* All
2 moneys received from the federal government for southeast Wisconsin freeway
3 megaprojects under s. 84.0145, for such purposes. This paragraph does not apply to
4 the installation, replacement, rehabilitation, or maintenance of highway signs,
5 traffic control signals, highway lighting, pavement markings, or intelligent
6 transportation systems, unless incidental to a southeast Wisconsin freeway
7 megaproject.

 ****NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

8 **SECTION 7.** 20.395 (3) (bq) of the statutes is amended to read:

9 20.395 (3) (bq) *Major highway development, state funds.* As a continuing
10 appropriation, the amounts in the schedule for major development of state trunk and
11 connecting highways and for the disadvantaged business demonstration and
12 training program under s. 84.076. This paragraph does not apply ~~to major~~
13 ~~development of~~ with respect to any southeast Wisconsin freeway, ~~as defined in s.~~
14 84.014 (1) (e) megaproject under s. 84.0145.

15 **SECTION 8.** 20.395 (3) (br) of the statutes is amended to read:

16 20.395 (3) (br) *Major highway development, service funds.* All moneys received
17 from the fund created under s. 18.57 (1) as reimbursement for the temporary
18 financing under sub. (9) (th) of projects for major development of state trunk and
19 connecting highways that are financed under s. 84.59 and enumerated under s.
20 84.013 (3), for the purpose of financing such projects. This paragraph does not apply
21 ~~to any project for major development of a~~ with respect to any southeast Wisconsin
22 ~~freeway, as defined in s. 84.014 (1) (e)~~ megaproject under s. 84.0145.

23 **SECTION 9.** 20.395 (3) (bv) of the statutes is amended to read:

1 20.395 (3) (bv) *Major highway development, local funds.* All moneys received
2 from any local unit of government or other source for major development of state
3 trunk and connecting highways, including the railroad and utility alteration and
4 relocation loan program under s. 84.065, and the disadvantaged business
5 demonstration and training program under s. 84.076, for such purposes. This
6 paragraph does not apply with respect to ~~major development of any southeast~~
7 Wisconsin freeway, ~~as defined in s. 84.014 (1) (e)~~ megaproject under s. 84.0145.

8 **SECTION 10.** 20.395 (3) (bx) of the statutes is amended to read:

9 20.395 (3) (bx) *Major highway development, federal funds.* All moneys received
10 from the federal government for major development of state trunk and connecting
11 highways and the disadvantaged business demonstration and training program
12 under s. 84.076, for such purposes. This paragraph does not apply ~~to major~~
13 development of with respect to any southeast Wisconsin freeway, ~~as defined in s.~~
14 84.014 (1) (e) megaproject under s. 84.0145.

15 **SECTION 11.** 20.395 (3) (cq) of the statutes is amended to read:

16 20.395 (3) (cq) *State highway rehabilitation, state funds.* As a continuing
17 appropriation, the amounts in the schedule for improvement of existing state trunk
18 and connecting highways; for improvement of bridges on state trunk or connecting
19 highways and other bridges for which improvement is a state responsibility, for
20 necessary approach work for such bridges and for replacement of such bridges with
21 at-grade crossing improvements; for the construction and rehabilitation of the
22 national system of interstate and defense highways and bridges and related
23 appurtenances; for special maintenance activities under s. 84.04 on roadside
24 improvements; for bridges under s. 84.10; for the bridge project under s. 84.115; for
25 payment to a local unit of government for a jurisdictional transfer under s. 84.02 (8);

1 for the disadvantaged business demonstration and training program under s.
2 84.076; for the transfers required under 1999 Wisconsin Act 9, section 9250 (1) and
3 2003 Wisconsin Act 33, section 9153 (4q); and for the purposes described under 1999
4 Wisconsin Act 9, section 9150 (8g), 2001 Wisconsin Act 16, section 9152 (4e), and 2007
5 Wisconsin Act 20, section 9148 (9i) (b) and (9x). This paragraph does not apply to any
6 southeast Wisconsin freeway megaprojects under s. 84.0145, to any southeast
7 Wisconsin freeway rehabilitation projects under s. 84.014 that also qualify as major
8 highway projects under s. 84.013, or to the installation, replacement, rehabilitation,
9 or maintenance of highway signs, traffic control signals, highway lighting, pavement
10 markings, or intelligent transportation systems, unless incidental to the
11 improvement of existing state trunk and connecting highways.

12 **SECTION 12.** 20.395 (3) (cv) of the statutes is amended to read:

13 20.395 (3) (cv) *State highway rehabilitation, local funds.* All moneys received
14 from any local unit of government or other source for the specific information sign
15 program under s. 86.195; for improvement of existing state trunk and connecting
16 highways; for improvement of bridges on state trunk or connecting highways and
17 other bridges for which improvement is a state responsibility, for necessary approach
18 work for such bridges and for replacement of such bridges with at-grade crossing
19 improvements; for the construction and rehabilitation of the national system of
20 interstate and defense highways and bridges and related appurtenances; for special
21 maintenance activities under s. 84.04 on roadside improvements; for the bridge
22 project under s. 84.115; for the railroad and utility alteration and relocation loan
23 program under s. 84.065; and for the disadvantaged business demonstration and
24 training program under s. 84.076, for such purposes. This paragraph does not apply
25 to any southeast Wisconsin freeway megaprojects under s. 84.0145 or to any

1 southeast Wisconsin freeway rehabilitation projects under s. 84.014 that also qualify
2 as major highway projects under s. 84.013.

3 **SECTION 13.** 20.395 (3) (cx) of the statutes is amended to read:

4 20.395 (3) (cx) *State highway rehabilitation, federal funds.* All moneys
5 received from the federal government for improvement of existing state trunk and
6 connecting highways; for improvement of bridges on state trunk or connecting
7 highways and other bridges for which improvement is a state responsibility, for
8 necessary approach work for such bridges and for replacement of such bridges with
9 at-grade crossing improvements; for the construction and rehabilitation of the
10 national system of interstate and defense highways and bridges and related
11 appurtenances; for special maintenance activities under s. 84.04 on roadside
12 improvements; for the bridge project under s. 84.115; and for the disadvantaged
13 business demonstration and training program under s. 84.076; and all moneys
14 received under 2003 Wisconsin Act 33, section 9153 (4q); for such purposes. This
15 paragraph does not apply to any southeast Wisconsin freeway megaprojects under
16 s. 84.0145 or to any southeast Wisconsin freeway rehabilitation projects under s.
17 84.014 that also qualify as major highway projects under s. 84.013.

18 **SECTION 14.** 20.395 (6) (au) of the statutes is amended to read:

19 20.395 (6) (au) *Principal repayment and interest, Marquette interchange, zoo*
20 *interchange, southeast megaprojects, and I 94 north-south corridor reconstruction*
21 *projects, state funds.* A sum sufficient to reimburse s. 20.866 (1) (u) for the payment
22 of principal and interest costs incurred in financing the Marquette interchange
23 reconstruction project and, the reconstruction of the I 94 north-south corridor and
24 the zoo interchange, and southeast Wisconsin freeway megaprojects, as provided

1 under ss. 20.866 (2) (uup) and 84.555, and to make payments under an agreement
2 or ancillary arrangement entered into under s. 18.06 (8) (a).

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

****NOTE: This is reconciled s. 20.395 (6) (au). This SECTION has been affected by drafts with the following LRB numbers: LRB-0459 and LRB-1403.

3 **SECTION 15.** 20.866 (2) (ur) of the statutes is amended to read:

4 20.866 (2) (ur) *Transportation; accelerated highway improvements.* From the
5 capital improvement fund, a sum sufficient to acquire, construct, develop, enlarge,
6 or improve state highway facilities as provided by ss. 84.06 and 84.09. The state may
7 contract public debt in an amount not to exceed \$185,000,000 for this purpose. This
8 paragraph does not apply with respect to any southeast Wisconsin freeway
9 ~~rehabilitation projects under s. 84.014~~ megaproject under s. 84.0145.

10 **SECTION 16.** 20.866 (2) (uu) of the statutes is amended to read:

11 20.866 (2) (uu) *Transportation; highway projects.* From the capital
12 improvement fund, a sum sufficient for the department of transportation to acquire,
13 construct, reconstruct, improve, or develop highway projects under ss. 84.06 and
14 84.09. The state may contract public debt in an amount not to exceed \$41,000,000 for
15 this purpose. This paragraph does not apply with respect to any southeast Wisconsin
16 freeway ~~rehabilitation projects under s. 84.014~~ megaproject under s. 84.0145.

17 **SECTION 17.** 20.866 (2) (uup) of the statutes is amended to read:

18 20.866 (2) (uup) *Transportation; Marquette interchange, zoo interchange,*
19 *southeast megaprojects, and I 94 north-south corridor reconstruction projects.* From
20 the capital improvement fund, a sum sufficient for the department of transportation
21 to fund the Marquette interchange reconstruction project under s. 84.014, as
22 provided under s. 84.555, and the reconstruction of the I 94 north-south corridor and

1 the zoo interchange, as provided under s. 84.555 (1m), and southeast Wisconsin
2 freeway megaprojects under s. 84.0145, as provided under s. 84.555 (1m). The state
3 may contract public debt in an amount not to exceed ~~\$553,550,000~~ \$704,750,000 for
4 these purposes.

****NOTE: This is reconciled s. 20.866 (2) (uup). This SECTION has been affected by
drafts with the following LRB numbers: LRB-0459 and LRB-1403.

5 **SECTION 18.** 84.01 (33) (c) of the statutes is repealed.

6 **SECTION 19.** 84.013 (1) (a) (intro.) of the statutes is amended to read:

7 84.013 (1) (a) (intro.) "Major highway project" means a project, except a project
8 providing an approach to a bridge over a river that forms a boundary of the state or
9 a southeast Wisconsin freeway ~~rehabilitation project under s. 84.014,~~ which
10 megaproject under s. 84.0145, that satisfies any of the following:

11 1m. The project has a total cost of more than \$5,000,000 \$30,000,000, subject
12 to adjustment under sub. (2m), and which involves any of the following:

13 **SECTION 20.** 84.013 (1) (a) 1. of the statutes is renumbered 84.013 (1) (a) 1m.

14 a.

15 **SECTION 21.** 84.013 (1) (a) 2. (intro.), a. and b. of the statutes are consolidated,
16 renumbered 84.013 (1) (a) 1m. b. and amended to read:

17 84.013 (1) (a) 1m. b. Reconstructing or reconditioning an existing highway by
18 either of the following: ~~a. Relocating~~ relocating 2.5 miles or more of the existing
19 highway. ~~b. Adding or adding~~ one or more lanes 5 miles or more in length to the
20 existing highway.

21 **SECTION 22.** 84.013 (1) (a) 2m. of the statutes is created to read:

22 84.013 (1) (a) 2m. The project has a total cost of more than \$75,000,000, subject
23 to adjustment under sub. (2m).

SECTION 23. 84.013 (1) (a) 3. of the statutes is renumbered 84.013 (1) (a) 1m.

c.

SECTION 24. 84.013 (2) (a) of the statutes is amended to read:

84.013 (2) (a) Subject to ss. 84.014 (6) (b), 84.555, and 86.255, major highway projects shall be funded from the appropriations under ss. 20.395 (3) (bq) to (bx) and (ct) and (4) (jq) and 20.866 (2) (ur) to (uum) and (uus).

SECTION 25. 84.013 (2) (b) of the statutes is amended to read:

84.013 (2) (b) Except as provided in ss. ~~84.014~~, 84.03 (3), and 84.555, and subject to ~~ss. 84.014 (6) (c) and~~ 86.255, reconditioning, reconstruction and resurfacing of highways shall be funded from the appropriations under ss. 20.395 (3) (cq) to (cx) and 20.866 (2) (uur) and (uut).

SECTION 26. 84.013 (2m) of the statutes is created to read:

84.013 (2m) The department shall annually adjust the amounts specified in sub. (1) (a) 1m. and 2m. to reflect the annual change in the Wisconsin Department of Transportation Price Index, Yearly Moving Average, as maintained by the department or, if at any time the department no longer maintains this index, another suitable index as determined by the department. Beginning in 2012, prior to October 1 of each year, the department shall compute the annual adjustment required under this subsection and shall publish the new adjusted amount applicable under sub. (1) (a) 1m. and 2m., which amount shall become effective on October 1 of that year. The department may not adjust the amounts specified in sub. (1) (a) 1m. and 2m. to an amount less than that specified in sub. (1) (a) 1m. and 2m.

SECTION 27. 84.013 (3) (ad) of the statutes is created to read:

84.013 (3) (ad) Notwithstanding s. 13.489 (4) (c), any project approved by the transportation projects commission under s. 13.489 (4m) (b).

1 **SECTION 28.** 84.013 (4) (a) of the statutes is amended to read:

2 84.013 **(4)** (a) Subject to s. 13.489 (1m), in preparation for future major highway
3 projects, the department may perform ~~preliminary~~ engineering and design work and
4 studies for possible major highway projects not listed under sub. (3), but no major
5 highway may be constructed unless the project is listed under sub. (3) or approved
6 under sub. (6).

7 **SECTION 29.** 84.014 (2) of the statutes is amended to read:

8 84.014 **(2)** Subject to ss. 84.555 and 86.255, any southeast Wisconsin freeway
9 rehabilitation projects, including the Marquette interchange reconstruction project
10 and projects that involve adding one or more lanes 5 miles or more in length to the
11 existing freeway, may be funded ~~only~~ from the appropriations under ss. 20.395 (3)
12 (cr), (ct), (cw), and (cy) and 20.866 (2) (uum) and (uup).

13 **SECTION 30.** 84.014 (6) of the statutes is created to read:

14 84.014 **(6)** (a) A southeast Wisconsin freeway rehabilitation project under this
15 section may not simultaneously be considered a southeast Wisconsin freeway
16 megaproject under s. 84.0145.

17 (b) Notwithstanding sub. (5m), a southeast Wisconsin freeway rehabilitation
18 project under this section may also be considered a major highway project, eligible
19 for funding under s. 84.013 (2) (a), if the project meets the criteria for a major
20 highway project under s. 84.013 (1) (a) and satisfies all applicable requirements
21 under ss. 13.489 and 84.013.

22 (c) Notwithstanding sub. (5m), a southeast Wisconsin freeway rehabilitation
23 project under this section may also be eligible for funding under s. 84.013 (2) (b) if
24 the project is not considered a southeast Wisconsin freeway megaproject under s.
25 84.0145 or a major highway project under s. 84.013.

1 **SECTION 31.** 84.0145 of the statutes is created to read:

2 **84.0145 Southeast Wisconsin freeway megaprojects. (1)** In this section:

3 (a) "I 94 north-south corridor" has the meaning given in s. 84.014 (5m) (ag) 1.

4 (b) "Southeast Wisconsin freeway" has the meaning given in s. 84.014 (1) (e).

5 (c) "Southeast Wisconsin freeway megaproject" means any project on a
6 southeast Wisconsin freeway having a total cost of more than \$500 million, subject
7 to adjustment under sub. (4).

8 (d) "Zoo interchange" has the meaning given in s. 84.014 (5m) (ag) 2.

9 **(2)** Subject to sub. (3) and s. 86.255, any southeast Wisconsin freeway
10 megaproject may be funded only from the appropriations under ss. 20.395 (3) (aq),
11 (av), (ax), and (ct) and 20.866 (2) (uup).

12 **(3)** (a) The department may not encumber or expend any moneys for
13 construction of a southeast Wisconsin freeway megaproject unless the project is
14 specifically enumerated in a list under par. (b).

15 (b) The department may provide funding for the following southeast Wisconsin
16 freeway megaprojects:

17 1. The I 94 north-south corridor project.

18 2. The Zoo interchange project.

19 **(4)** The department shall annually adjust the amount specified in sub. (1) (c)
20 to reflect the annual change in the Wisconsin Department of Transportation Price
21 Index, Yearly Moving Average, as maintained by the department or, if at any time
22 the department no longer maintains this index, another suitable index as
23 determined by the department. Beginning in 2012, prior to October 1 of each year,
24 the department shall compute the annual adjustment required under this subsection
25 and shall publish the new adjusted amount applicable under sub. (1) (c), which

1 amount shall become effective on October 1 of that year. The department may not
2 adjust the amount specified in sub. (1) (c) to an amount less than that specified in sub.
3 (1) (c).

4 **SECTION 32.** 84.555 (1m) of the statutes is amended to read:

5 84.555 (1m) Notwithstanding sub. (1) and ss. 84.51 and 84.59, the proceeds of
6 general obligation bonds issued under s. 20.866 (2) (uum) are allocated for
7 expenditure obligations under s. 84.95 and s. 84.014 and the proceeds of general
8 obligation bonds issued under s. 20.866 (2) (uup) may be used to fund expenditure
9 obligations for the Marquette interchange reconstruction project under s. 84.014
10 and, for the reconstruction of the I 94 north-south corridor, as defined in s. 84.014
11 (5m) (ag) 1., for the reconstruction of the Zoo interchange, as defined in s. 84.014 (5m)
12 (ag) 2., and southeast Wisconsin freeway megaprojects under s. 84.0145.

****NOTE: This is reconciled s. 84.555 (1m). This SECTION has been affected by
drafts with the following LRB numbers: LRB-0459 and LRB-1403.

13 **SECTION 33.** 85.05 of the statutes is amended to read:

14 **85.05 Evaluation of proposed major highway projects.** The department
15 by rule shall establish a procedure for numerically evaluating projects considered for
16 enumeration under s. 84.013 (3) as a major highway project. The evaluation
17 procedure may include any criteria that the department considers relevant. The
18 rules shall establish a minimum score that a project shall meet or exceed when
19 evaluated under the procedure established under this section before the department
20 may recommend the project to the transportation projects commission for
21 consideration under s. 13.489 (4). This section does not apply to major highway
22 projects identified in s. 84.013 (3) (ad).

23 **SECTION 34.** 227.01 (13) (yc) of the statutes is created to read:

227.01 **(13)** (yc) Adjusts the total cost threshold for highway projects under ss. 84.013 (2m) and 84.0145 (4).

SECTION 9348. Initial applicability; Transportation.

(1) **MAJOR HIGHWAY PROJECTS.** The treatment of sections 13.489 (1m) (f), (4) (d), and (4m), 84.013 (1) (a) (intro.), 1., 2. (intro.), a., and b., 2m., and 3., (2m), and (3) (ad), 85.05, and 227.01 (13) (yc) (as it relates to major highway projects) of the statutes first applies to highway projects for which preliminary engineering and design work commences after the effective date of this subsection.

(END)